

**Application number:** 09/923,311**Art Unit:** 3624**Applicant:** Khai Hee Kwan**Examiner:** Alain L Bashore**Title:** A computer network method for conducting payment over a network by debiting and crediting utilities accountsAnalysis of Examiner's assertion.Claims 1-16

We respectfully traversed the examiner's rejection.

The examiner has grouped Claim 1-16. We object to this grouped rejection as it does not afford conclusive evidence to consider each of the elements in the dependent claims which may not be obvious without a motivation for a 103(a) rejection. In short, the examiner has failed to articulate a motivation to reveal each of the missing elements such as utilities account in Claim 1 including extending the utility accounts for sub-accounts, as per claim 2 ; utility units wherein the 'exchangeable' novelty is for payer to pay from gas account to electricity account of payee etc. "unless the prior art suggested the desirability of [such a] modification" or replacement. In re Gordon, 733 F.2d 900, 902 , 221 U.S.P.Q. (BNA) 1125, 1127 (Fed. Cir. 1984).

Payment initialization through a telecommunication network and not Internet.

The examiner stated that Morrill teach a method using utility accounts including a wireless device at Col 1 lines 18-24. And as mentioned Morrill deals exclusively with telco accounts over a telco network and not utilities accounts as defined in our application. At Col 4 lines 16-38, Morrill described the cell phone being an electronic

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wallet and funds are transferred between mobile phone accounts of the parties or arrange with financial account or credit card or brokerage.

Failure to show inherency of mobile phone accounts.

However, there is no mentioned of utilities accounts such as gas, water, electricity or data communication accounts. Data accounts in general would be Internet accounts and not mobile phone accounts. In particular the Morrill's invention involves a method of using a mobile phone together with a mobile phone account and/or financially linked accounts for payment over a telco network. This is evidenced from Col 3 lines 25 to line 35. There is great emphasis on mobile phone account as can be seen in Col 4 line 41 to line 47 "The vendor must have either a mobile phone account or an arrangement with the mobile phone service..... The purchaser must have a mobile phone service agreement and in this case, have with him/her their cellular phone." Also see Col 11, line 44 to line 47 referring to mobile accounts and other financial accounts. However, nothing in all the prior arts show any reference to utilities accounts nor any teaching fairly show how these utilities accounts could be used for payment. Neither is there any evidence to show a mobile phone account must necessarily reveal utility accounts to one skilled in the art.

Missing central payment processor connected to the Internet.

Structurally, Morrill also failed to show having a central payment processor linked to the Internet. Morrill shows CPU in mobile service provider debiting and crediting accounts within its own network as its devices are linked directly. This inherently means Morrill did not teach intra-funding payment (ie between two different telcos). More importantly requires two parties to interact with each other for the fund transfer. ( Col 3 line 6-

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25)... In particular, is mentioned "The CPU debits and credits the appropriate accounts and creates an electronic record of the transfer." Our claimed invention has no requirement for two parties to interact for a user to user transfer. The user need only provide his account and the payee's account.

Confirmation and verification using a mobile device.

Our claimed invention while applying a mobile phone, this device is for confirmation and verification purposes rather than for initiating a transaction. In short, our claimed invention could even work without such a device as the whole transaction could be completed on line although perhaps with lesser security. See our specification at page 8/9 where we reproduced the relevant para below :

"Preferably, the method includes the step of initiating a purchase over the Internet by entering the account number with a specific utility provider as the identifying account to be debited. This step is similar to using credit card but instead of the credit card number, a sub account number is used instead. This is followed by an authorisation query where the user/purchaser need to response by entering his or her password that is provided on opening the utility purchasing sub account. This password can be keyed in from the buyer's terminal."

As we mentioned in page 6 of our specification (another preferred method), the mobile device in our claimed invention is to ensure identity could be confirmed (via a second network) when an Internet payment is made through the net (via a first network) in Fig A. This splitting of networks to check and confirm provides a second layer of security but as we mentioned, our mobile device could not be for initiating/making a payment as in Morrill (see Fig B) . The question is whether Morrill's invention could work without the mobile device because the difference here is that our claimed invention would still work

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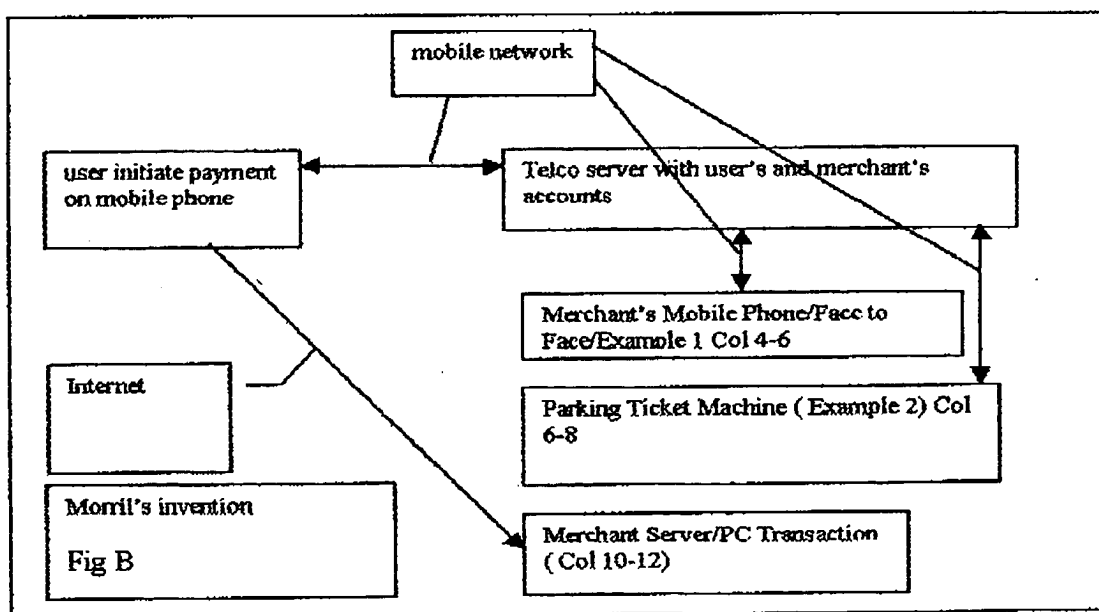
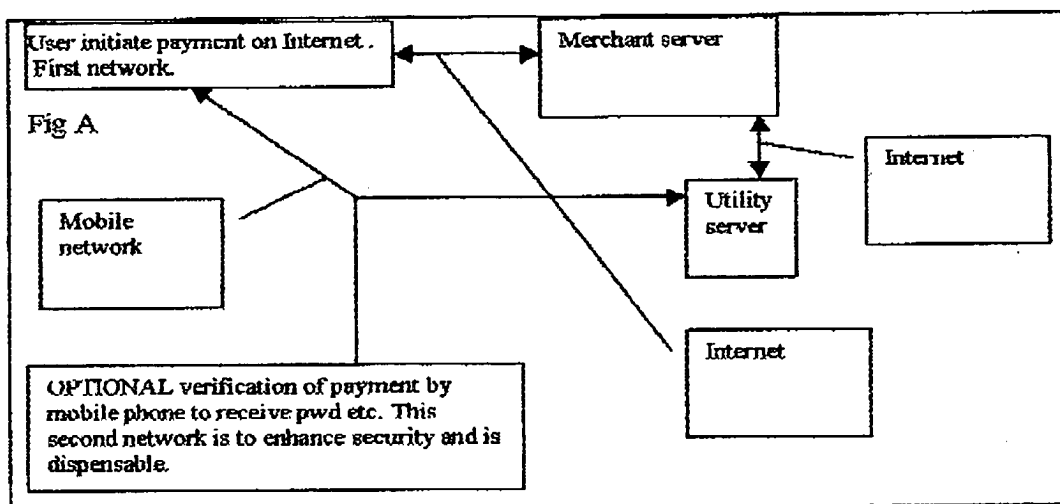
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without the said mobile device as it does not use any mobile accounts nor initiate a payment on the mobile device.



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No special function code at the outset to start the transaction ?

Morrill has placed reliance on the use of "function" code recognizing the limitation of mobile telco system where codes representing commands such as \*\*\*\*#123P may have a special meaning as to merely numbers, as the latter will dial a call instead of diverting to make a payment. Our claimed invention has no such requirements as the transaction is completed over a computer with another computer (not mobile phone to a telco computer as Fig B above) over the Internet and where applicable we use the mobile phone only as a secondary source for verification ( Fig A). For example a transaction could be initiated over the Internet link to utility computer (first route) but as a safety precaution, the utility computer will response back to a mobile phone for confirmation (second route).

Obviously only the linked user's mobile phone number stored in the utility system will be called. In contrast, Morrill only teach of using the mobile phone to satisfy the evidentiary transaction by forwarding the confirmation code to transmit this to the vendor's computer over the Internet (Col 11 line 28-Col 12 line 27) and NOT using the mobile phone device to initiate a payment transaction over the Internet. ( See Fig B above at PC Transaction ) As mentioned there is no motivation to modify Morrill's device to detour into the Internet to reach its service mobile provider when its already directly linked to it by wireless means.

Further there must be some compelling reason/motivation for Morrill to turn his invention from initiating a transaction/payment into a limited confirmation/verification device to reach our claimed invention. The examiner had provided no reason for this.

Even if these utilities accounts could some how have corresponding elements to a mobile phone accounts ( which we submit is not ), Morrill still fail to fairly disclose how to

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practice with said accounts. ("a reference must be considered not only for what it expressly teaches, but also for what it fairly suggests," In re Burckel, 592 F.2d 1175, 1179, 201 USPQ 67, 70 (CCPA 1979)). In this case, there is no evidence it shows how utilities billing could be used for payments between users nor the novelty of using utility units as for payment.

"Obvious to try" a modification or combination (looking for a needle in a haystack) is not prima facie obvious.

Another problem here is that there are also an infinite type of accounts such as cash account, asset account, bank account, clothing account, grocery account, inventory account, check account, fuel account, orange juice account, pork belly account (generally found in commodities market), expense account, depreciation account, entertainment account, tea money account etc. In short anything of value can be grouped under an account for the purpose of accounting for the usage but could any of them also used for making payment ? Therefore, given the nearly infinite number of possibilities that could be suggested with hindsight, and the failure of the cited prior art to suggest any of them including our utilities account as claimed, we submit the claimed accounts would not have been obvious. See W.L. Gore & Assocs., Inc. v. Garlock, Inc., 721 F.2d 1540, 1553, 220 USPQ 303, 312-13 (Fed.Cir.1983) ("To imbue one of ordinary skill in the art with knowledge of the invention in suit, when no prior art reference or references of record convey or suggest that knowledge, is to fall victim to the insidious effect of a hindsight syndrome wherein that which only the inventor taught is used against its teacher."). Skill in the art does not act as a bridge over gaps in substantive presentation of an obviousness case, but instead supplies the primary guarantee of objectivity in the process. See Ryko Mfg. Co. v. Nu-Star, Inc., 950 F.2d 714, 718, 21 USPQ2d 1053, 1057 (Fed.Cir.1991).

**Application number:** 09/923,311**Art Unit:** 3624**Applicant:** Khai Hee Kwan**Examiner:** Alain L Bashore.**Title:** A computer network method for conducting payment over a network by debiting and crediting utilities accountsNovelty of Utility Units

We further describe electronic methods to transfer funds or utility units from one type of utility account to another, say gas to electricity. Morrill taught mobile phone accounts only presumably with monetary amount only. The examiner placed no evidence to show said type of accounts in our claimed invention could inherently be found in reading mobile phone account. Even if these utilities accounts are by themselves well known, it is not well known to do so for payment transactions via a computer network as in the claimed invention.

Even with combination with Moussaueu, there is nothing in either cited prior arts to show any suggestion to combine its features with the features of the other reference.

Therefore, we respectfully submit that the examiner had not shown prima facie the elements of "utilities" accounts are taught in Morrill in view of the claims 1-16 as a whole including why would Morrill reduce his mobile device to merely one of confirming a transaction or why is it necessary to 'detour' to the Internet in order to reach the service provider as per our claimed invention. We further ask the examiner to withdraw his rejections or reconsider our amendments incorporating our rebuttal above.

Referring to claim 17

We respectfully traversed the examiner's rejection.

Claim 17 as mentioned is dependent on claim 1 and hence includes our rebuttal as above. The issue here is that the examiner failed to show any motivation found in all 3 prior arts

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to show the benefits of combining each other features to reveal our claimed invention. While IVRM is desirable in Resnick there is nothing to show a need in Morrill. In re Werner Kotzab, 217 F.3d 1365,1371, 55 USPQ2d 1313, 1317 (Fed. Cir. 2000) ("[A] rejection cannot be predicated on the mere identification. . . of individual components of claimed limitations. Rather, particular findings must be made as to the reason the skilled artisan, with no knowledge of the claimed invention, would have selected these components for combination in the manner claimed."). In this instance the examiner has failed to show the motivation as there is no evidence in Morrill to target disabled users nor could that be the main reason why IVR is installed in other devices such as in Resnick. Clearly IVR is installed for the purpose of facilitating any user in the payment process and not because of any disability. In Morrill's teaching much reliance is placed on the pressing of buttons on the mobile phone but that does not mean it's a disadvantage to one without sight or hearing. ( mobile phones for blind has unique buttons etched with Braille or with a large screen capable of interactive words response for those who are deaf ). The only issue is when one is both deaf and blind but for such disabilities even IVR could not be of any assistance as at the very minimum by its nature being voice, IVR is accessible by those who are not hearing impair. Therefore, if Morrill had been targeting the disable as suggested then IVR may not be a good solution. Further as mentioned, there is nothing in all three prior arts to combine each other features and the reason to satisfy disable users (as proposed by examiner) was not found in any of the cited arts. Accordingly we respectfully submits that claim 17 is patentable over the said 3 prior arts.



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